

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 73 Dorothy L. Hukill Financial Literacy Act

SPONSOR(S): PreK-12 Quality Subcommittee

TIED BILLS: None **IDEN./SIM. BILLS:** None

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: PreK-12 Quality Subcommittee		D'Souza	Guy

SUMMARY ANALYSIS

The bill is titled as the "Dorothy L. Hukill Financial Literacy Act".

Current law requires financial literacy to be taught as a part of a one-half credit economics course, which falls under the three required social studies credits a student must achieve to earn a standard high school diploma. The bill increases the number of social studies credits needed to earn a standard high school diploma to three and one-half credits to include one-half-credit in financial literacy as a separate course. The bill adds financial literacy to those courses that may be satisfied by passing an assessment aligned to the state's financial literacy standards. The bill limits taking the financial literacy course or passing the assessment to those students in grades 11 and 12.

The bill decreases the number of elective credits from eight to seven and one-half credits required for graduation in order to maintain the required total of 24 credits students must successfully complete to earn a standard high school diploma.

The bill adds middle school course requirements to those that may be satisfied by passing an end-of-course (EOC) assessment, an Advanced Placement (AP) examination, College Level Examination Program (CLEP), or any other appropriate assessment identified in rule by the State Board of Education (SBE).

The bill may have a fiscal impact due to costs school districts may incur that are associated with procuring additional instructional materials aligned to the required financial literacy course and hiring additional classroom teachers to teach the course. The costs are indeterminate.

The bill has an effective date of July 1, 2019.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Acceleration Options

The Credit Acceleration Program (CAP) allows a student to earn high school credit in courses required for high school graduation without enrollment in the course by passing an end-of-course (EOC) assessment, an Advanced Placement (AP) examination, or College Level Examination Program (CLEP).¹ The following subjects are included: Biology I, United States History, Algebra I, and Geometry.²

Florida High School Requirements for Earning a Standard High School Diploma

Florida law establishes the courses and credits required for a student to receive a standard high school diploma. A student must successfully complete 24 credits in core-curricula and extracurricular courses with a 2.0 or higher cumulative GPA³ with limited exceptions.⁴

For grades 9 through 12, core curricula courses are those subjects that are measured by state assessment at any grade level; and courses that are specifically identified by name in state law as required for high school graduation that are not measured by state assessment.⁵ Core courses are English Language Arts (ELA), mathematics, science, and social studies.⁶ Students are required to earn four credits in ELA, four credits in mathematics, and three credits in science. With respect to social studies, students are required to earn three credits:⁷

- one credit in United States History;
- one credit in World History;
- one-half credit in economics, which must include financial literacy; and
- one-half credit in United States Government.

To earn a standard high school diploma, a student is also required to earn eight credits in electives. School districts must develop and offer coordinated electives so that a student may develop knowledge and skills in his or her area of interest. Such electives must include opportunities for students to earn college credit, including:

- industry-certified career education programs;
- a career-themed course series that results in industry certification;
- articulate into the award of college credit; or
- career education courses for which there is a statewide or local articulation agreement and which lead to college credit.⁸

Other required courses are extracurricular courses, which means all courses that are not defined as “core-curricula courses”.⁹ These classes are not subject to maximum class requirements. Students

¹ Section 1003.4295(3), F.S.

² Florida Department of Education, *Students Entering Grade Nine in the 2014-2015 School Year and Forward* (2017), available at <http://www.fldoe.org/core/fileparse.php/7764/urlt/1415fowardflyer.pdf>.

³ Section 1003.4282(3)(a)-(g), F.S.

⁴ Section 1002.3105(5), F.S. A student may graduate with a minimum of 18 credit hours if he or she meets the core course credit (excluding physical education), assessment, and GPA requirements and completes three electives.

⁵ Section 1003.01(14), F.S.

⁶ See s. 1003.4282(3)(a)-(d), F.S.

⁷ Section 1003.4282(3)(d), F.S.

⁸ Section 1003.4282(3)(g), F.S.

must earn one credit in fine or performing arts, speech and debate, or practical arts and one credit in physical education.¹⁰

Financial Literacy Instruction

The Next Generation Sunshine State Standards (NGSSS), adopted by the State Board of Education (SBE) pursuant to state law, include financial literacy standards for kindergarten through grade 12.¹¹ In 2014, after a committee of six experts in economics and finance reviewed the Council for Economic Education's (CEE) National Standards for Financial Literacy and after a series of public workshops, the state board incorporated the national standards into the NGSSS for Social Studies.¹²

Section 1003.41(2)(d), Florida Statutes, requires financial literacy standards to include information regarding:

- earning income;
- buying goods and services;
- saving and financial investing;
- taxes;
- the use of credit and credit cards;
- budgeting and debt management, including student loans and secured loans;
- banking and financial services;
- planning for one's financial future, including higher education and career planning;
- credit reports and scores; and
- fraud and identity theft prevention.

Effect of Proposed Changes

Acceleration Options

The bill adds middle school course requirements to those that may be satisfied by passing an end-of-course (EOC) assessment, an Advanced Placement (AP) examination, College Level Examination Program (CLEP), or any other appropriate assessment identified in rule by the SBE. The bill requires a school district to indicate that the student has successfully completed a middle school course or award course credit to the student if the student earns a passing score on one of the assessments.

For students in grades 11 and 12, the bill also adds financial literacy to those subjects for which credit may be earned through passing an appropriate assessment identified in state board rule.

Credit Requirements for Earning a Standard High School Diploma

For the social studies graduation requirement, the bill increases to three and one-half credits the number of credits required to earn a standard high school diploma. Beginning with students entering grade 9 in the 2019-2020 school year and after, the additional one-half credit must be earned in grades 11 or 12 in financial literacy. This requirement can be fulfilled by passing a course or an assessment aligned to the state's financial literacy standards.

The bill exempts a high school student who transfers into a public school from another country, another state, a private school, or a home education program from the financial literacy requirement if his or her transcript indicates passage of a financial literacy course.

⁹ Section 1003.01(15), F.S.

¹⁰ Section 1003.4282(2)(e)-(f), F.S.

¹¹ See rule 6A-1.09401(1)(c), F.A.C. (incorporating by reference Florida Department of Education, *Next Generation Sunshine State Standards—Social Studies, Revised June 2014*).

¹² See Florida Department of Education, *Next Generation Sunshine State Standards—Social Studies, Revised June 2014*, at 1 (incorporated by reference in rule 6A-1.09401(1)(c), F.A.C.)

Beginning with students entering grade 9 in the 2019-2020 school year and after, in order to maintain the required total of 24 credits students need to earn a standard high school diploma, the bill reduces to seven and one-half the number of credits students must earn in electives.

B. SECTION DIRECTORY:

Section 1. Designates the act as the “Dorothy L. Hukill Financial Literacy Act.”

Section 2. Amends s. 1002.3105, F.S., conforming provisions to changes made by the act.

Section 3. Amends 1003.41, F.S., revising the social studies standards for the NGSSS to include financial literacy as a separate subject.

Section 4. Amends 1003.4282, F.S., revising the required credits for a standard high school diploma to include one-half, rather than eight, credits in electives; requiring the SBE to identify certain assessments for credit acceleration purposes; and exempting certain students from meeting the financial literacy requirement under certain circumstances.

Section 5. Amends 1003.4295, F.S., providing that specified acceleration mechanisms may be used to satisfy middle school course requirements; and providing that certain assessments identified in SBE rule may be used to satisfy middle school course requirements or earn high school credit for certain courses.

Section 6. Amends 1003.436, F.S., conforming provisions to changes made by the act.

Section 7. Provides an effective date of July 1, 2019.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

School districts may incur costs associated with procuring additional instructional materials aligned to the new personal financial literacy course, providing professional development to classroom teachers

who will teach the course, and hiring additional classroom teachers to teach the course. The cost is indeterminate.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill grants the SBE authority to adopt rules that identify assessments to satisfy course requirements.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not Applicable.